

MAHATHIR—RUBBER

KUALA LUMPUR, NOV. 11 (BERNAMA) — DATUK SERI DR. MAHATHIR MOHAMAD SAID TODAY DEVELOPING COUNTRIES LIKE MALAYSIA SHOULD BE GIVEN THE CHANCE TO PROCESS ITS OWN NATURAL RESOURCES AT SOURCE TO ENABLE THE FINISHED PRODUCTS BE SOLD AT A LOWER PRICE IN THE INTERNATIONAL MARKET.

THE DEPUTY PRIME MINISTER SAID THE GREAT RESTRAINTS IMPOSED BY DEVELOPED COUNTRIES ON THE IMPORT OF FINISHED PRODUCTS THROUGH TARIFF QUOTAS AND OTHER OBSTACLES HAD DENIED DEVELOPING COUNTRIES OF THEIR RIGHTFUL SHARE OF INTERNATIONAL MANUFACTURING ACTIVITIES.

+LET NOT THE DISTORTIONS IN THE WORLD TRADE THAT HAVE BEEN ACCENTUATED BY HIGH TARIFFS AND OTHER PROTECTIVE MEASURES DENY THE CITIZENS OF THE WORLD THE OPPORTUNITY OF ENJOYING THE ADVANTAGES OF EFFICIENT WORLD MANUFACTURING OPERATIONS,+ HE ADDED.

+LET US MANUFACTURE THE LOWER COST PRODUCTS AND LET US ENABLE THE CITIZENS OF DEVELOPED NATIONS TO PURCHASE CHEAPER PRODUCTS,+ HE SAID WHEN OPENING THE INTERNATIONAL CONFERENCE ON RUBBER PRODUCTS MANUFACTURING IN MALAYSIA HERE.

HE STRESSED THAT MALAYSIA LIKE OTHER DEVELOPING COUNTRIES WAS NOT MAKING ANY UNREASONABLE DEMANDS ON THE DEVELOPED NATIONS.

+WHAT WE ARE CALLING FOR IS FOR THE RECOGNITION OF THE INTERNATIONAL LAW OF COMPARATIVE ADVANTAGE,+ HE ADDED.

— BERNAMA MORE 1520/SZ

DATUK SERI DR. MAHATHIR EXPLAINED THAT MALAYSIA DID NOT ASPIRE, AT LEAST AT THIS STAGE OF DEVELOPMENT, TO MANUFACTURE HIGH TECHNOLOGY COMPUTERS, SOPHISTICATED SCIENTIFIC INSTRUMENTS OR AIRCRAFT AS THERE WAS NO DENYING THAT THE COMPARATIVE ADVANTAGE IN TERMS OF TECHNOLOGY AND KNOW HOW FOR THESE ITEMS NOW RESIDED IN THE DEVELOPED NATIONS.

HOWEVER IT WAS A DIFFERENT STORY ALTOGETHER WHEN NATURAL RESOURCES WERE CONSIDERED.

INSTEAD OF EXPORTING RELATIVELY LOW VALUE NATURAL RUBBER OVER EXPENSIVE SEA MILES, UTILISING HIGH COST LABOUR TO MANUFACTURE THESE INTO FINISHED PRODUCTS THAT WERE EXPORTED TO LOW WAGE EARNING COUNTRIES, MALAYSIA WOULD LIKE TO SEE THESE PRODUCTS BEING MANUFACTURED AT SOURCE BY UTILISING ITS LOWER COST LABOUR AND ABUNDANT RESOURCES AND ENERGY.

THIS COULD ALSO HELP DEVELOPED NATIONS IN THEIR FIGHT AGAINST INFLATION.

THE DEPUTY PRIME MINISTER SAID THAT ALTHOUGH HIS CALL WOULD UNDOUBTEDLY REQUIRE A RESTRUCTURING AMONG THE INDUSTRIES IN THE DEVELOPED WORLD IT WOULD ONLY BE A TEMPORARY ONE AS IN THE LONG RUN IT WOULD BRING TOTAL BENEFITS TO ALL. -- BERNAMA MORE 1525/SZ

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DATUK SERI DR. MAHATHIR, WHO IS ALSO MINISTER OF TRADE AND INDUSTRY, GAVE THE ASSURANCE THAT THE GOVERNMENT WOULD TAKE EVERY POSSIBLE STEP TO GIVE SUPPORT TO INVESTORS WHO PARTICIPATED IN THE LOCAL RUBBER PRODUCTS MANUFACTURING INDUSTRY.

INCREASING EMPHASIS HAD ALREADY BEEN GIVEN BY THE GOVERNMENT TO CREATE A CLIMATE THAT WOULD BE FAVOURABLE FOR RUBBER PRODUCTS MANUFACTURES TO SET UP OPERATIONS IN THE COUNTRY.

HE SAID OF LATE MALAYSIA HAD MANAGED TO PERSUADE A FEW OF THE INTERNATIONAL GIANTS INVOLVED IN DIPPED RUBBER GOODS TO SET UP MANUFACTURING OPERATIONS HERE.

THIS HAD LED TO THE ESTABLISHMENT OF EXPORT ORIENTED COMPANIES MANUFACTURING GLOVES, SWIMMING CAPS AND RUBBER BANDS.

THE DEPUTY PRIME MINISTER WAS CONFIDENT THAT WITHIN THE NEXT TWO YEARS MALAYSIA COULD WELL BE ONE OF THE LARGEST EXPORTERS OF DIPPED RUBBER GLOVES.

THESE STEPS HE ADDED, WERE IN THE RIGHT DIRECTION AND AUGURED WELL FOR THE GOVERNMENT'S ASPIRATION THAT BY THE END OF THE DECADE THE COUNTRY WOULD BECOME ONE OF THE WORLD LEADERS IN THE EXPORT OF MANUFACTURED NATURAL RUBBER PRODUCTS.

HOWEVER, HE CAUTIONED OF THE POSSIBILITY THAT EXPORT DUTY EXEMPTIONS FOR RUBBER CONVERTED INTO FINISHED PRODUCTS MIGHT BE REMOVED IN TIME TO COME WITH THE INCREASE IN THE NUMBER OF RUBBER PRODUCTS MANUFACTURERS SETTING UP THEIR OPERATIONS IN THIS COUNTRY. -- BERNAMA MORE 1530/SZ

NO29 (F)

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HE SAID THIS WAS NOT MEANT TO GIVE THE IMPRESSION THAT THE GOVERNMENT HAD PLANS AT PRESENT TO REMOVE THE EXEMPTIONS.

+I MRELY WISH TO CONVEY THE FACT THAT THIS COULD BE A PROGRAMME FOR THE FUTURE AND THAT THOSE MANUFACTURERS WHO ESTABLISH PROJECTS NOW WOULD BE ABLE TO MAXIMISE THE BENEFITS OF THESE INCENTIVES,+ HE SAID.

HE ASSURED THAT WHATEVER ACTION WAS TAKEN, MANUFACTURERS OF RUBBER PRODUCTS IN MALAYSIA WOULD BE MUCH BETTER OFF THAN THOSE ESTABLISHED OUTSIDE THIS COUNTRY.

A TOTAL OF 260 PARTICIPANTS ARE ATTENDING THE TWO-DAY